



CITY OF DURHAM | NORTH CAROLINA

Date: May 8, 2012

To: Thomas J. Bonfield, City Manager

Through: Theodore L. Voorhees, Deputy City Manager

From: Joel V. Reitzer, Jr., Director, General Services Department

David M. Fleischer, Real Estate Manager, General Services Department

Donna E. Lunsford, Senior Real Estate Officer, General Services Department

Subject: Sale of Two Easements to MRK Properties, L.L.C.

Executive Summary

MRK Properties, L.L.C. (MRK), owner of the former Book Exchange building located at 109 W. Chapel Hill Street and identified as parcel 103100 seeks to acquire two easements from the City. MRK is developing their property into a restaurant. As the former Book Exchange building encompasses MRK's entire parcel, the restaurant development site plan requires that MRK acquire easements from the City across the City's adjacent parcels on the east and west side of their property. Easement 1 is comprised of 128.917 square feet on the west side of the building, southeast of the City's paved public parking lot which is located at 111 W. Chapel Hill Street (parcel 103100). This easement is necessary in order to construct an exit from the second floor of the building. Easement 2 is comprised of 21.25 square feet on the east side of the building on the City's Corcoran Street parking lot which is located at 101 S. Corcoran Street (parcel 103057). This easement is necessary in order to allow egress from the east side of the building.

The Real Estate Division conferred with City departments to determine if there is a current or future public use or purpose for the proposed location of the easements. There were no objections from City departments to granting both easements. Subsequently, Matthew R. Kelly of MRK Properties, L.L.C. has executed an Option to Purchase the two easements for a total purchase price of \$2,400.00.

Recommendation

The General Services Department recommends City Council: 1) accept MRK Properties, L.L.C.'s offer of \$2,400.00 to purchase the following easements as per the preliminary survey attached hereto: Easement 1 contains 128.917 square feet of parcel 103100 located at 111 W. Chapel Hill Street, and Easement 2 contains 21.25 square feet of parcel 103057 located at 101 S. Corcoran Street; and 2) authorize the City Manager to sell and the City Manager or the Mayor to convey the easements by deed.

Background

Matthew R. Kelly of MRK Properties, L.L.C. is the owner and chef of the French bistro Vin Rouge in Durham and is renovating the former Book Exchange building into a restaurant. The new restaurant will be named Mateo.

Renovation plans include an exterior staircase from the second floor of the building to a gravel landing on the City-owned property at 111 W. Chapel Hill Street. The staircase will descend over the existing decorative iron fence.

Issues/Analysis

The proposed easements will not impact use of the City's adjacent parking lots and will not interfere with the use of any parking spaces. The proposed easements will provide required egress and compliance with applicable building codes.

MRK will be responsible for all costs associated with this transaction. The costs include, but are not limited to, obtaining a recordable plat and legal descriptions of both easements, and paying applicable recording fees.

Alternatives

City Council has the discretion to not approve the sale of the easements. This alternative is not recommended because the granting of the easements serves a public purpose.

Financial Impact

The City will receive compensation in the amount of \$2,400.00 for both easements.

SDBE Summary

This item does not require review by the Equal Opportunity/Equity Assurance Department.

Attachments: Preliminary Survey, Exterior Drawing